

Exhibit 300: Capital Asset Plan and Business Case Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview (All Capital Assets)

1. Date of Submission: 4/10/2009
2. Agency: Department of State
3. Bureau: Rm/Dcfo/Gfms Global Financial Management System
4. Name of this Capital Asset: Exhibit 300 - Worldwide Agency-wide Locally Engaged Staff Payroll (WALES Payroll)
5. Unique Project (Investment) Identifier: (For IT investment only, see section 53. For all other, use agency ID system.) 014-00-01-01-01-1531-00

6. What kind of investment will this be in FY 2010? (Please NOTE: Investments moving to O&M in FY 2010, with Planning/Acquisition activities prior to FY 2010 should not select O&M. These investments should indicate their current status.) Full Acquisition

8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap:

As the exclusive "civilian" provider, over 40 agencies rely on DoS to deliver Foreign Service National (FSN) employee e-Payroll services. This is a major challenge because, in contrast to most multi-nationals, the USG has staff in over 180 countries and must:

- * accurately pay 49,000 employees
- * comply with 500+ compensation plans tailored to local laws/prevaling practices
- * deal with 150+ currencies and their fluctuating exchange rates

DoS currently operates/maintains four versions of FSNPay in Charleston and Bangkok, each requiring its own cadre of support experts. These 20+ year old, legacy systems represent major operational risk as they require modification each pay period. Moreover, DoS faces similar challenges with respect to the legacy FARADS system (the application used to generate annuitant payments to over 15,000 retired Foreign Service Officers (FSOs) and qualified beneficiaries).

Following rigorous product demonstrations (that were conducted as part of a Sources Sought/Market Research RFI), DoS concluded that several COTS products could address most of the USG's FSN employee and FSO annuitant payroll needs. This means that WALES will replace this obsolete technology with a single, modern rules-based COTS system better suited to support constant change. This is critical because the USG must satisfy time-sensitive taxation/benefits requirements that arise from legislation/regulatory rules enacted in 180+ countries. In short, this will help DoS make accurate and timely payments to its FSNs and retired FSOs, achieve clean audit opinions, and continue to satisfy the 40+ agencies that rely on its overseas payroll services.

In addition to the USG-wide "share-in" savings achieved by providing e-Payroll services to other agencies, this investment promotes cost avoidance by replacing five payroll systems with one to eliminate redundant:

- * Acquisition/deployment activities
- * Service center operations
- * Hardware
- * Software licensing
- * System maintenance

These benefits will be largely realized in FY11, following a phased implementation.

9. Did the Agency's Executive/Investment Committee approve this request? Yes
 - a. If "yes," what was the date of this approval? 7/14/2008
10. Did the Project Manager review this Exhibit? Yes
12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project? No
 - a. Will this investment include electronic assets (including computers)? Yes
 - b. Is this investment for new construction or major No

retrofit of a Federal building or facility? (answer applicable to non-IT assets only)

1. If "yes," is an ESPC or UESC being used to help fund this investment?

2. If "yes," will this investment meet sustainable design principles?

3. If "yes," is it designed to be 30% more energy efficient than relevant code?

13. Does this investment directly support one of the PMA initiatives?

Yes

If "yes," check all that apply:

Right Sized Overseas Presence
Expanded E-Government
Financial Performance

a. Briefly and specifically describe for each selected how this asset directly supports the identified initiative(s)? (e.g. If E-Gov is selected, is it an approved shared service provider or the managing partner?)

Expanded e-Gov: WALES will enable DoS to fulfill its e-payroll provider responsibilities by continuing to provide services to the 40+ agencies that employ FSNs.

Improved Financial Performance: The migration to a COTS-based system will enable the USG to leverage the technology/best practices used by thousands of organizations.

Right sized overseas presence: WALES promote operational efficiency by replacing a set of decentralized systems with a one that is centrally managed in Charleston.

14. Does this investment support a program assessed using the Program Assessment Rating Tool (PART)? (For more information about the PART, visit www.whitehouse.gov/omb/part.)

No

a. If "yes," does this investment address a weakness found during a PART review?

No

b. If "yes," what is the name of the PARTed program?

c. If "yes," what rating did the PART receive?

15. Is this investment for information technology?

Yes

If the answer to Question 15 is "Yes," complete questions 16-23 below. If the answer is "No," do not answer questions 16-23.

For information technology investments only:

16. What is the level of the IT Project? (per CIO Council PM Guidance)

Level 2

17. In addition to the answer in 11(a), what project management qualifications does the Project Manager have? (per CIO Council PM Guidance)

(1) Project manager has been validated as qualified for this investment

18. Is this investment or any project(s) within this investment identified as "high risk" on the Q4 - FY 2008 agency high risk report (per OMB Memorandum M-05-23)

No

19. Is this a financial management system?

Yes

a. If "yes," does this investment address a FFMIA compliance area?

No

1. If "yes," which compliance area:

2. If "no," what does it address?

This investment addresses key elements of the President's Management Agenda (PMA) including providing e-Payroll services to civilian agencies with an overseas presence, "right sizing" an overseas administrative support operation, eliminating redundant systems, and leveraging "commercially-available-off-the-shelf" (COTS) software.

b. If "yes," please identify the system name(s) and system acronym(s) as reported in the most recent financial systems inventory update required by Circular A-11 section 52

21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and

N/A

included in your agency inventory, schedules and priorities?

23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval? Yes

Section D: Performance Information (All Capital Assets)

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures (indicators) must be provided. These goals need to map to the gap in the agency's strategic goals and objectives this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.

Agencies must use the following table to report performance goals and measures for the major investment and use the Federal Enterprise Architecture (FEA) Performance Reference Model (PRM). Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for each of the four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov. The table can be extended to include performance measures for years beyond the next President's Budget.

Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
2006	Strengthening Consular and Management Capabilities	Customer Results	Customer Benefit	Customer Satisfaction	Percent of posts aware of FSNPay replacement initiative (i.e., WALES)	0	50%	As of June 30, 2006, 1%
2006	Strengthening Consular and Management Capabilities	Mission and Business Results	Human Resource Management	Compensation Management	Percent of key WALES business requirements documented.	0	100%	As of June 30, 2006, 100%
2006	Strengthening Consular and Management Capabilities	Processes and Activities	Financial (Processes and Activities)	Planning	Percent of Comprehensive Project Plan developed	0	50%	As of May 22, 2006, 100%
2006	Strengthening Consular and Management Capabilities	Technology	Reliability and Availability	Availability	Technical strategy percent complete.	0	100%	As of April 30, 2006, 100%
2007	Strengthening Consular and Management Capabilities	Customer Results	Customer Benefit	Customer Satisfaction	Percent of posts aware of FSNPay replacement initiative (i.e., WALES)	0	100%	As of September 30, 2007, 1%
2007	Strengthening Consular and Management Capabilities	Mission and Business Results	Human Resource Management	Compensation Management	Percent of new FY07 WALES business requirements documented	0	100%	As of September 30, 2007, 100%
2007	Strengthening Consular and Management Capabilities	Processes and Activities	Security and Privacy	Security	Percent of WALES security plan developed	0	100%	As of September 30, 2007, 100%
2007	Strengthening Consular and Management Capabilities	Technology	Reliability and Availability	Availability	Technical strategy percent complete.	0	100%	As of September 30, 2007, 100%
2008	Strengthening Consular and Management Capabilities	Customer Results	Service Accessibility	Service Availability	Percent available online during M-F business hours		90%	As of September 30, 2008, 90%
2008	Strengthening Consular and Management Capabilities	Mission and Business Results	General Government (Cross-Agency)	Central Personnel Management	# of Civilian Agencies with locally engaged staff paid using a COTS product	0	0	As of September 30, 2008, 0
2008	Strengthening Consular and Management Capabilities	Processes and Activities	Productivity	Efficiency	Number of payroll systems operated and maintained	5	5	As of September 30, 2008, 5
2008	Strengthening Consular and Management Capabilities	Technology	Quality Assurance	Standards Compliance and Deviations	Percentage of Section 508 compliant systems		0%	As of September 30, 2008, 0%
2009	Strengthening Consular and	Customer Results	Service Accessibility	Service Availability	Percent available online during M-		90%	NOTE: This metric cannot be

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Performance Information Table								
Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
	Management Capabilities				F business hours			improved upon until the system is deployed in FY11. (See FY11 Target).
2009	Strengthening Consular and Management Capabilities	Mission and Business Results	General Government (Cross-Agency)	Central Personnel Management	# of Civilian Agencies with locally engaged staff paid using a COTS product	0	0	NOTE: This metric cannot be improved upon until the system is deployed in FY11. (See FY11 Target).
2009	Strengthening Consular and Management Capabilities	Processes and Activities	Productivity	Efficiency	Number of payroll systems operated and maintained	5	5	NOTE: This metric cannot be improved upon until the system is deployed in FY11. (See FY11 Target).
2009	Strengthening Consular and Management Capabilities	Technology	Quality Assurance	Standards Compliance and Deviations	Percentage of Section 508 compliant systems		0%	NOTE: This metric cannot be improved upon until the system is deployed in FY11. (See FY11 Target).

Section E: Security and Privacy (IT Capital Assets only)

8. Planning & Operational Systems - Privacy Table:					
(a) Name of System	(b) Is this a new system? (Y/N)	(c) Is there at least one Privacy Impact Assessment (PIA) which covers this system? (Y/N)	(d) Internet Link or Explanation	(e) Is a System of Records Notice (SORN) required for this system? (Y/N)	(f) Internet Link or Explanation
WALES	Yes	No	This system is not operational. The system owner is working with the Privacy Office to ensure that a PIA will be completed if required.	Yes	This system is not operational but will be covered by an existing SORN. http://www.state.gov/documents/organization/102795.pdf
Details for Text Options: Column (d): If yes to (c), provide the link(s) to the publicly posted PIA(s) with which this system is associated. If no to (c), provide an explanation why the PIA has not been publicly posted or why the PIA has not been conducted. Column (f): If yes to (e), provide the link(s) to where the current and up to date SORN(s) is published in the federal register. If no to (e), provide an explanation why the SORN has not been published or why there isn't a current and up to date SORN. Note: Working links must be provided to specific documents not general privacy websites. Non-working links will be considered as a blank field.					

Section F: Enterprise Architecture (EA) (IT Capital Assets only)

In order to successfully address this area of the capital asset plan and business case, the investment must be included in the agency's EA and Capital Planning and Investment Control (CPIC) process and mapped to and supporting the FEA. The business case must demonstrate the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

1. Is this investment included in your agency's target enterprise architecture? Yes

a. If "no," please explain why?

2. Is this investment included in the agency's EA Transition Strategy? Yes

a. If "yes," provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment. Worldwide Agency-wide Locally Engaged Staff Payroll (WALES)

b. If "no," please explain why?

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4. Service Component Reference Model (SRM) Table: Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to http://www.egov.gov .								
Agency Component Name	Agency Component Description	FEA SRM Service Domain	FEA SRM Service Type	FEA SRM Component (a)	Service Component Reused Name (b)	Service Component Reused UPI (b)	Internal or External Reuse? (c)	BY Funding Percentage (d)
Data Cleansing	Support the removal of incorrect or unnecessary characters and data from a data source	Back Office Services	Data Management	Data Cleansing			No Reuse	
Instrumentation and Testing	Support the validation of application or system capabilities and requirements	Back Office Services	Development and Integration	Instrumentation and Testing			No Reuse	
Software Development	Support the creation of both graphical and process application or system software	Back Office Services	Development and Integration	Software Development			No Reuse	
Currency Translation	Support the calculations and difference between multiple mediums of exchange	Back Office Services	Financial Management	Currency Translation			No Reuse	
Payroll	Involve the administration and determination of employees compensation	Back Office Services	Financial Management	Payroll			No Reuse	
Benefit Management	Support the enrollment and participation in an organization's compensation and benefits programs	Back Office Services	Human Resources	Benefit Management			No Reuse	
Program / Project Management	Manage and control a particular effort of an organization	Business Management Services	Management of Processes	Program / Project Management			No Reuse	

a. Use existing SRM Components or identify as "NEW". A "NEW" component is one not already identified as a service component in the FEA SRM.

b. A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.

c. 'Internal' reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. 'External' reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.

d. Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the percentage of the BY requested funding amount transferred to another agency to pay for the service. The percentages in the column can, but are not required to, add up to 100%.

5. Technical Reference Model (TRM) Table: To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.				
FEA SRM Component (a)	FEA TRM Service Area	FEA TRM Service Category	FEA TRM Service Standard	Service Specification (b) (i.e., vendor and product name)
Currency Translation	Component Framework	Data Interchange	Data Exchange	
Benefit Management	Component Framework	Data Management	Database Connectivity	
Payroll	Component Framework	Data Management	Database Connectivity	
Benefit Management	Component Framework	Security	Certificates / Digital Signatures	
Payroll	Component Framework	Security	Certificates / Digital Signatures	
Benefit Management	Service Access and Delivery	Access Channels	Web Browser	

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5. Technical Reference Model (TRM) Table:

To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component (a)	FEA TRM Service Area	FEA TRM Service Category	FEA TRM Service Standard	Service Specification (b) (i.e., vendor and product name)
Payroll	Service Access and Delivery	Access Channels	Web Browser	
Benefit Management	Service Access and Delivery	Service Requirements	Hosting	
Payroll	Service Access and Delivery	Service Requirements	Hosting	
Benefit Management	Service Access and Delivery	Service Requirements	Legislative / Compliance	
Payroll	Service Access and Delivery	Service Requirements	Legislative / Compliance	
Benefit Management	Service Access and Delivery	Service Requirements	Legislative / Compliance	
Payroll	Service Access and Delivery	Service Requirements	Legislative / Compliance	
Benefit Management	Service Access and Delivery	Service Transport	Service Transport	
Payroll	Service Access and Delivery	Service Transport	Service Transport	
Benefit Management	Service Access and Delivery	Service Transport	Service Transport	
Payroll	Service Access and Delivery	Service Transport	Service Transport	
Data Cleansing	Service Interface and Integration	Integration	Enterprise Application Integration	
Instrumentation and Testing	Service Interface and Integration	Integration	Enterprise Application Integration	
Software Development	Service Interface and Integration	Integration	Enterprise Application Integration	
Program / Project Management	Service Interface and Integration	Integration	Enterprise Application Integration	
Benefit Management	Service Platform and Infrastructure	Delivery Servers	Web Servers	
Payroll	Service Platform and Infrastructure	Delivery Servers	Web Servers	

a. Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications

b. In the Service Specification field, agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

6. Will the application leverage existing components and/or applications across the Government (i.e., USA.gov, Pay.Gov, etc)? Yes

Exhibit 300: Part II: Planning, Acquisition and Performance Information

Section B: Risk Management (All Capital Assets)

You should have performed a risk assessment during the early planning and initial concept phase of this investment's life-cycle, developed a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.

1. Does the investment have a Risk Management Plan? Yes
 - a. If "yes," what is the date of the plan? 8/22/2008
 - b. Has the Risk Management Plan been significantly changed since last year's submission to OMB? No

